



Electronic Funds Transfer Program

Louisiana Revised Statute 47:1519 authorizes the Department of Revenue to require electronic payments from taxpayers whose individual payments exceed \$20,000. In lieu of making electronic payments, a taxpayer may choose to deliver immediately investible funds to the Department in person or by courier on or before the close of business on the due date of the return.

At this time, business tax filers whose average payments equal or exceed \$20,000 are required to participate in the program.

Taxpayers whose payment amounts do not fall within the mandated thresholds may volunteer to pay electronically, provided the Department is prepared to accept electronic payments for the tax type requested. Anyone participating in the program voluntarily must comply with all the regulations associated with making electronic payments and must participate for at least one year.

Registration Process

Taxpayers required to pay electronically, or those wanting to do so voluntarily, must complete an application indicating the payment method chosen and provide other necessary identification information. As soon as the payment method has been selected, the Department will furnish the taxpayer with detailed instructions on how to transmit payments. The payment methods available are ACH (Automated Clearinghouse) Debit, ACH Credit, or other immediately investible funds delivered in person or by courier. FedWire transfers may be used in **emergencies only** and only with prior approval of the Department of Revenue. It is not an acceptable regular payment method.

Description of Payment Methods

• ACH Debit

When a taxpayer selects the ACH Debit payment method, the Department of Revenue provides the taxpayer identification and bank information to a third-party data collection center. The data collection center's function is to receive transmissions from registered taxpayers authorizing debits to their bank accounts for payment of taxes. Transmissions may be made by Touch-Tone telephone, voice, or terminal. **Touch-Tone telephone is not an option for severance tax account numbers containing an alpha character.**

After the data collection center has received the taxpayer and bank information from the Department of Revenue, the information is recorded on its database and the taxpayer is assigned a confidential identification number and a password. These, along with the taxpayer's Revenue account number, are used by the taxpayer to communicate payment information to the data collection center. This ensures that only the taxpayer will have the capability of authorizing debits against the taxpayer's bank account.

ACH Debit transmissions must be initiated by the taxpayer no later than 1:30 p.m., Central Time, on the last business day prior to the due date of the payment. A separate transmission must be made for each tax type.

The ACH Debit payment method is the most convenient and cost-effective method for the taxpayer. It is available to all taxpayers, and transmission costs are borne by the State. After a transmission has been completed, the taxpayer is furnished with a verification number that can be used to trace a transaction should any problems arise later. Once a taxpayer completes the transmission and receives a verification number, he has no further responsibility for ensuring that the transaction is completed.

- **ACH Credit**

Under the ACH Credit method, the taxpayer initiates the electronic payment through his financial institution. Before selecting this method, it is critical that the taxpayer make sure his financial institution can complete the transaction.

A taxpayer using this method must provide his financial institution with the information necessary to initiate a timely ACH Credit transaction utilizing the National Automated Clearinghouse Association (NACHA) CCD+ entry and the TXP Banking Convention addenda record. The payment amount authorized by the taxpayer and initiated by the taxpayer's financial institution must be **received** by the State of Louisiana's bank on the due date of the return. If a taxpayer elects to use the ACH Credit payment method, the taxpayer is responsible for ensuring that the transaction is completed timely and accurately. Also, any fees charged by the originating bank are the responsibility of the taxpayer.

- **Other Immediately Investible Funds**

Immediately investible funds include cash, money orders, and cashier's checks. It does **NOT** include FedWire transfers. These must be delivered to the Department of Revenue in person or by courier on or before the due date of the return.

Treatment of Weekends and Holidays

If the due date of the return falls on a weekend or a Federal Reserve holiday, the payments must be electronically transferred in time to be received by the State of Louisiana's bank on or before the first business day following the weekend or holiday.

Changes

Taxpayers are required to keep the same payment method for a minimum of one year. After that time, if a taxpayer chooses to change methods, he must submit an EFT Change Form (R-20193-L) to the Department at least 60 days prior to the effective date of the change.

Taxpayers should immediately notify the Department of any changes to banking or account information in order that payments can be processed accurately. The same EFT Change Form should be submitted. However, if the EFT Change Form is not being submitted at least two weeks in advance, the taxpayer should notify the Department by telephone and immediately follow-up with the change form. A change document must also be submitted if a contact person, telephone number, or address changes.

Relief from Requirements

If a taxpayer who has been mandated to pay electronically does not believe that he meets the criteria, he should contact the respective tax division in writing, outlining the reasons and requesting that his account be reviewed. Requests should be mailed to P.O. Box 4018, Baton Rouge, Louisiana 70821-4018.

Assistance

Questions should be directed to the appropriate division. Telephone numbers are as follows:

Taxpayer Services Division	(225) 219-7318
Corporation Income and Franchise Taxes	
Excise Taxes	
Sales Tax	
Withholding Tax	
Severance Tax Division	(225) 219-2500